

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

Chapter 11

CARDINAL HOMES, INC., *et al.*

Case No. 19-36275-KRH
(Jointly Administered)

Debtors.¹

**NOTICE OF CANCELLATION OF AUCTION
AND IDENTIFICATION OF SUCCESSFUL BIDDER**

PLEASE TAKE NOTICE that, pursuant to the Bidding Procedures approved by that certain *Order (A) Approving and Authorizing Bidding Procedures in Connection with the Sale of Substantially All the Debtors' Assets, (B) Approving and Authorizing the Break-Up Fee, (C) Approving and Authorizing the IB Compensation, (D) Scheduling the Related Auction and Hearing to Consider Approval of the Sale, (E) Approving Procedures Related to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (F) Approving the Form and Manner of Notice Thereof, and (G) Granting Related Relief* [Docket No. 133] (the "Bidding Procedures Order"), the Auction contemplated by Section B(6) of the Bidding Procedures is **CANCELED** because the Debtor did not receive any Qualified Bids² for the Sale Assets on or before the Bid Deadline.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bidding Procedures approved by the Bidding Procedures Order, Kituwah, LLC (the "Stalking Horse") is hereby declared to be the Successful Bidder for the Sale Assets.

¹ The Debtors in these Chapter 11 Cases and the last four digits of their taxpayer identification numbers are as follows: Cardinal Homes, Inc. (9112) and Alouette Holdings, Inc. (9139). The headquarters of Cardinal Homes, Inc. are located at 525 Barnesville Highway, Wylliesburg, VA 23976 and the headquarters of Alouette Holdings, Inc. are located at 307 Palomino Road, Buffalo Junction, VA 24529-2424.

² Capitalized terms used but not defined herein shall have the meanings ascribed in the Bidding Procedures Order and/or Bidding Procedures.

PLEASE TAKE FURTHER NOTICE that, at 1:00 p.m. (prevailing Eastern Time) on February 13, 2020 in Courtroom 5000, United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division, 701 East Broad Street, Richmond, Virginia 23219, the Debtors will request the Bankruptcy Court enter an order approving and authorizing the sale of the Sale Assets to the Stalking Horse pursuant to the terms contained in the Stalking Horse APA.

Dated: February 9, 2020

CARDINAL HOMES, INC., *et al.*

/s/ Michael E. Hastings

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